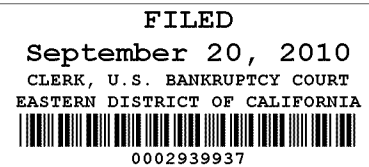


UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF CALIFORNIA



In re: Matterhorn Group, Inc.  
In re: Vitafreze Frozen Confections, Inc.  
In re: Deluxe Ice Cream Company

Case No. Lead Case No. 10-39672 (MSM)  
Jointly Administered with Case Nos. 10-39664 (MSM), and  
10-39670 (MSM)

CHAPTER 11  
MONTHLY OPERATING REPORT  
(GENERAL BUSINESS CASE)

SUMMARY OF FINANCIAL STATUS

MONTH ENDED: 8/31/2010 (covers Petition Date of 7/26/10 to 8/31/10)

PETITION DATE: 07/26/10

Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here ☒ the Cash Basis of Accounting for the Debtors. The Debtors used a Cash Basis to be consistent with the Court-approved cash collateral budgets which were also done on a Cash Basis).  
Dollars reported in \$1

	End of Current Month	End of Prior Month	As of Petition Filing
<b>1. Asset and Liability Structure</b>			
a. Current Assets**	\$20,733,517		
b. Total Assets	\$23,793,452		\$22,739,943 Assets- Per Schedules provided
c. Current Liabilities	\$654,836		
d. Total Liabilities	\$19,675,232		\$19,082,872
<b>2. Statement of Cash Receipts &amp; Disbursements for Month</b>	<b>Current Month</b>	<b>Prior Month</b>	<b>Cumulative (Case to Date)</b>
a. Total Receipts	\$8,449,124		\$8,449,124
b. Total Disbursements	\$6,001,140		\$6,001,140
c. Excess (Deficiency) of Receipts Over Disbursements (a - b)	\$2,447,985	\$0	\$2,447,985
d. Cash Balance Beginning of Month	\$0		\$0
e. Cash Balance End of Month (c + d)	\$2,447,985	\$0	\$2,447,985
<b>3. Profit/(Loss) from the Statement of Operations</b>	<b>Current Month</b>	<b>Prior Month</b>	<b>Cumulative (Case to Date)</b>
Account Receivables (Pre and Post Petition)	\$539,867		
Post-Petition Liabilities*	\$4,356,039		
Past Due Post-Petition Account Payables (over 30 days)	\$654,836		
	\$0		

At the end of this reporting month:

	Yes	No	
Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee)	X		Payments made to employees and cold storage vendors per court order
Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)	X		Payment was made pursuant to cash collateral budget into a segregated account. No payments will be made out of such account until payments from such account are approved by the Court.
If the answer is yes to 8 or 9, were all such payments approved by the court?	X		
Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)	X		
Is the estate insured for replacement cost of assets and for general liability?	X		
Are a plan and disclosure statement on file?		X	
Was there any post-petition borrowing during this reporting period?		X	
5. Check if paid: Post-petition taxes <u>X</u> ; U.S. Trustee Quarterly Fees: <u>Not due yet.</u> Check if filing is current for: Post-petition tax reporting and tax returns: <u>X</u> . (Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)			

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 9/20/2010 0:00

/s/ Jennifer K. Loving  
Chief Financial Officer

6- Does not include any outside professional fees or ordinary course of business expenses such as accrued payroll or other employee related expenses.

\*Current Assets is net of a one time inventory write down of \$1.2 million for obsolete inventory.

**STATEMENT OF OPERATIONS**  
**(General Business Case)**

For the Month Ended 8/31/2010 (covers Petition Date of 7/26/10 to 8/31/10)

**Current Month**

<u>Actual</u>	<u>Forecast</u>	<u>Variance</u>		<u>Cumulative (Case to Date)</u>	<u>Next Month Forecast</u>
\$8,438,271	\$7,702,504	\$735,767	<b>Revenues:</b>		
\$0		\$0	1 Gross Sales	\$8,438,271	\$4,045,466
\$8,438,271	\$7,702,504	\$735,767	2 less: Sales Returns & Allowances	\$0	
\$5,462,478 *	\$3,553,270	(\$1,909,208)	3 Net Sales	\$8,438,271	\$4,045,466
\$2,975,793	\$4,149,234	(\$1,173,441)	4 less: Cost of Goods Sold (Schedule 'B')	\$5,462,478	\$3,484,134
\$0		\$0	5 Gross Profit	\$2,975,793	\$561,332
\$0		\$0	6 Interest	\$0	
\$0		\$0	7 Other Income:	\$0	
		\$0	8		
		\$0	9		
\$2,975,793	\$4,149,234	(\$1,173,441)	10 <b>Total Revenues</b>	\$2,975,793	\$561,332
\$60,432	\$6,000	(\$54,432)	<b>Expenses:</b>		
\$1,186,527	\$1,127,940	(\$58,587)	11 Compensation to Owner(s)/Officer(s)	\$60,432	\$5,000
\$0		\$0	12 Salaries	\$1,186,527	\$1,136,914
		\$0	13 Commissions	\$0	
		\$0	14 Contract Labor		
\$7,800	\$0	(\$7,800)	Rent/Lease:		
\$41,915	\$101,842	\$59,927	15 Personal Property	\$7,800	\$0
\$0	\$56,918	\$56,918	16 Real Property	\$41,915	\$53,182
\$0		\$0	17 Insurance	\$0	\$51,108
\$0		\$0	18 Management Fees	\$0	
\$0	\$44,914	\$44,914	19 Depreciation	\$0	\$44,914
\$0		\$0	Taxes:		
\$48,078	\$12,000	(\$36,078)	20 Employer Payroll Taxes	\$0	
\$0		\$0	21 Real Property Taxes	\$0	\$1,333
\$961	\$162,877	\$161,916	22 Other Taxes	\$48,078	
\$23,309	\$44,579	\$21,270	23 Other Selling	\$961	\$145,396
\$72,532	\$72,531	(\$1)	24 Other Administrative	\$23,309	\$0
\$117,556	\$157,013	\$39,457	25 Interest	\$72,532	\$72,531
\$201,663	\$59,057	(\$142,606)	26 Other Expenses: Utilities	\$117,556	
\$536,165	\$452,874	(\$83,291)	27 Repairs & Maint.	\$201,663	
\$146,079	\$300,337	\$154,258	28 Transportation	\$536,165	
		\$0	29 Cold Storage	\$146,079	
		\$0	30		
		\$0	31		
		\$0	32		
		\$0	33		
		\$0	34		
\$2,443,017	\$2,598,882	\$155,865	35 <b>Total Expenses</b>	\$2,443,017	\$1,510,378
\$532,776	\$1,550,352	(\$1,017,576)	36 <b>Subtotal</b>	\$532,776	(\$949,046)
\$0	\$50,000	\$50,000	<b>Reorganization Items:</b>		
		\$0	37 Professional Fees	\$7,091	\$118,750
		\$0	38 Provisions for Rejected Executory Contracts		
		\$0	39 Interest Earned on Accumulated Cash from Resulting Chp 11 Case		
		\$0	40 Gain or (Loss) from Sale of Equipment		
\$7,091	\$15,117	\$8,026	41 U.S. Trustee Quarterly Fees		\$13,000
			42 Filing Fees/Mailing		\$13,000
\$7,091	\$65,117	(\$58,026)	43 <b>Total Reorganization Items</b>	\$7,091	\$144,750
\$539,867	\$1,615,469	(\$1,075,602)	44 <b>Net Profit (Loss) Before Federal &amp; State Taxes</b>	\$539,867	(\$804,296)
		\$0	45 Federal & State Income Taxes		
\$539,867	\$1,615,469	(\$1,075,602)	46 <b>Net Profit (Loss)</b>	\$539,867	(\$804,296)

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

Cash Collateral Budget and Actual Cashflow used in calculations.

Actual amount includes \$1.2 million inventory write down.

**BALANCE SHEET**  
**(General Business Case)**  
For the Month Ended 8/31/2010 (covers Petition Date of 7/26/10 to 8/31/10)

**Assets**

		<u>From Schedules</u>	<u>Market Value</u>	Book Values on All Assets Listed
<b>Current Assets</b>				
1	Cash and cash equivalents - unrestricted		\$2,167,492	Includes cash on hand less outstanding checks.
2	Cash and cash equivalents - restricted		\$0	
3	Accounts receivable (net)	A	\$4,356,039	
4	Inventory	B	\$5,915,302	
5	Prepaid expenses		\$2,172,439	
6	Professional retainers			
7	Other: <u>Goodwill/Artwork</u>		\$6,122,246	
8				
9	<b>Total Current Assets</b>		<b>\$20,733,517</b>	
<b>Property and Equipment (Market Value)</b>				Book Values on All Assets Listed
10	Real property	C	\$0	
11	Machinery and equipment	D	\$2,782,315	
12	Furniture and fixtures	D	\$54,249	
13	Office equipment	D	\$98,893	
14	Leasehold improvements	D	\$102,698	
15	Vehicles	D	\$21,779	
16	Other: _____	D		
17	_____	D		
18	_____	D		
19	_____	D		
20	_____	D		
21	<b>Total Property and Equipment</b>		<b>\$3,059,934</b>	
<b>Other Assets</b>				
22	Loans to shareholders			
23	Loans to affiliates			
24	_____			
25	_____			
26	_____			
27	_____			
28	<b>Total Other Assets</b>		<b>\$0</b>	
29	<b>Total Assets</b>		<b>\$23,793,452</b>	

**NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

**Liabilities and Equity**  
(General Business Case)

**Liabilities From Schedules**

**Post-Petition**

**Current Liabilities\***

30	Salaries and wages		<u>\$112,358</u>	
31	Payroll taxes		<u>\$2,678</u>	
32	Real and personal property taxes		<u>\$34,121</u>	
33	Income taxes			
34	Sales taxes		<u>\$139</u>	
35	Notes payable (short term)			
36	Accounts payable (trade)-exc. professional fees	A	<u>\$505,539</u>	Does not include any outside professional fees or ordinary course of business expenses such as accrued payroll or other employee related expenses.
37	Real property lease arrearage			
38	Personal property lease arrearage			
39	Accrued professional fees		<u>TBD</u>	
40	Current portion of long-term post-petition debt (due within 12 months)			
41	Other:			
42				
43				
44	<b>Total Current Liabilities</b>		<u>\$654,836</u>	
45	<b>Long-Term Post-Petition Debt, Net of Current Portion</b>			
46	<b>Total Post-Petition Liabilities</b>		<u>\$654,836</u>	

**Pre-Petition Liabilities (allowed amount)**

47	Secured claims	F	<u>\$11,575,103</u>	
48	Priority unsecured claims	F	<u>\$0</u>	
49	General unsecured claims	F	<u>\$7,445,293</u>	Includes claims asserted as reclamation claims.
50	<b>Total Pre-Petition Liabilities</b>		<u>\$19,020,396</u>	
51	<b>Total Liabilities</b>		<u>\$19,675,232</u>	

**Equity (Deficit)**

52	Retained Earnings/(Deficit) at time of filing		<u>(\$26,087,595)</u>	
53	Capital Stock		<u>\$30,205,815</u>	
54	Additional paid-in capital		<u>\$0</u>	
55	Cumulative profit/(loss) since filing of case			
56	Post-petition contributions/(distributions) or (draws)			
57				
58	Market value adjustment			
59	<b>Total Equity (Deficit)</b>		<u>\$4,118,220</u>	
60	<b>Total Liabilities and Equity (Deficit)</b>		<u>\$23,793,452</u>	

\*-Includes only accruals for normal course of business operations plus pre-paid petition invoices/payments for goods/services

# SCHEDULES TO THE BALANCE SHEET

(General Business Case)

## Schedule A

### Accounts Receivable and (Net) Payable

<b>Receivables and Payables Agings</b>	<b>Accounts Receivable [Pre and Post Petition]</b>	<b>Accounts Payable [Post Petition]</b>	<b>Past Due Post Petition Debt</b>
0 -30 Days	\$3,771,722	\$505,539	
31-60 Days	\$219,162	\$0	
61-90 Days	\$395,154	\$0	
91+ Days	\$0	\$0	\$0
Total accounts receivable/payable	\$4,386,039	\$505,539	
Allowance for doubtful accounts	\$30,000		
Accounts receivable (net)	\$4,356,039		

## Schedule B

### Inventory/Cost of Goods Sold

<b>Types and Amount of Inventory(ies)</b>	<b>Inventory(ies) Balance at End of Month</b>	<b>Cost of Goods Sold</b>
		<b>Inventory Beginning of Month</b>
		7,826,749
		<b>Add -</b>
Retail/Restaurants -		Net purchase
Product for resale		\$3,551,031
		Direct labor
		Manufacturing overhead
Distribution -		Freight in
Products for resale		Other:
Manufacturer -		
Raw Materials	\$3,785,289	
Work-in-progress	\$2,130,013	
Finished goods		
		<b>Less -</b>
Other - Explain		Inventory End of Month
		\$5,915,302
		Shrinkage
		\$0
		Personal Use
<b>TOTAL</b>	<b>\$5,915,302 *</b>	<b>Cost of Goods Sold</b>
		\$5,462,478

#### Method of Inventory Control

Do you have a functioning perpetual inventory system?

Yes ☒ No ☐

How often do you take a complete physical inventory?

Weekly ☐  
 Monthly ☐  
 Quarterly ☐  
 Semi-annually ☐  
 Annually ☒

Date of last cycle count 8/30/2010 0:00

Date of next cycle count 9/30/2010 0:00

#### Inventory Valuation Methods

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost ☒  
 LIFO cost ☐  
 Lower of cost or market ☐  
 Retail method ☐  
 Other ☐  
 Explain ☐

Current Inventory is net of a one time inventory write down of \$1.2 million for obsolete inventory.

**Schedule C  
Real Property**

Description	<u>Cost</u>	<u>Market Value</u>
None		
Total	<u>\$0</u>	<u>\$0</u>

**Schedule D  
Other Depreciable Assets**

Description	<u>Cost</u>	<u>Market Value</u>
Machinery & Equipment -		
See Attached	\$2,782,315	\$2,782,315
Total	<u>\$2,782,315</u>	<u>\$2,782,315</u>
Furniture & Fixtures -		
See Attached	\$54,249	\$54,249
Total	<u>\$54,249</u>	<u>\$54,249</u>
Office Equipment -		
See Attached	\$98,893	\$98,893
Total	<u>\$98,893</u>	<u>\$98,893</u>
Leasehold Improvements -		
See Attached	\$102,698	\$102,698
Total	<u>\$102,698</u>	<u>\$102,698</u>
Vehicles -		
See Attached	\$21,779	\$21,779
Total	<u>\$21,779</u>	<u>\$21,779</u>

**Schedule E**  
**Aging of Post-Petition Taxes**  
**(As of End of the Current Reporting Period)**

<b>Taxes Payable</b>	<b>0-30 Days</b>	<b>31-60 Days</b>	<b>61-90 Days</b>	<b>91+ Days</b>	<b>Total</b>	
<b>Federal</b>						
Income Tax Withholding	\$0	\$0	\$0	\$0	\$0	
FICA - Employee	\$0	\$0	\$0	\$0	\$0	
FICA - Employer	\$0	\$0	\$0	\$0	\$0	
Unemployment (FUTA)	\$0	\$0	\$0	\$0	\$0	
Income	\$0	\$0	\$0	\$0	\$0	
Other (Attach List)	\$0	\$0	\$0	\$0	\$0	
<b>Total Federal Taxes</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>State and Local</b>						
Income Tax Withholding	\$0	\$0	\$0	\$0	\$0	
Unemployment (UT)	\$0	\$0	\$0	\$0	\$0	
Disability Insurance (DI)	\$0	\$0	\$0	\$0	\$0	
Empl. Training Tax (ETT)	\$0	\$0	\$0	\$0	\$0	
Sales	\$0	\$0	\$0	\$0	\$0	
Excise	\$0	\$0	\$0	\$0	\$0	
Real property	\$1,053	\$0	\$0	\$0	\$1,053	Relates to invoices received; does not include accrued amounts that the Debtors will pay in the ordinary course
Personal property	\$0	\$0	\$0	\$0	\$0	
Income	\$0	\$0	\$0	\$0	\$0	
Other (Attach List)	\$0	\$0	\$0	\$0	\$0	
<b>Total State &amp; Local Taxes</b>	<b>\$1,053</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,053</b>	
<b>Total Taxes</b>	<b>\$1,053</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,053</b>	

**Schedule F**  
**Pre-Petition Liabilities**

<b>List Total Claims For Each Classification -</b>	<b>Claimed Amount</b>	<b>Allowed Amount (b)</b>
Secured claims (a)	\$11,575,103	\$11,575,103
Priority claims other than taxes	\$0	\$0
Priority tax claims	\$0	\$0
General unsecured claims*	\$7,445,293	\$7,445,293

- (a) List total amount of claims even if under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

**Schedule G**  
**Rental Income Information**  
**Not applicable to General Business Cases**

**Schedule H**  
**Recapitulation of Funds Held at End of Month**

	<b>Account 1</b>	<b>Account 2</b>	<b>Account 3</b>	<b>Account 4</b>
Bank	Wells Fargo	Wells Fargo	Key Bank	Wells Fargo
Account Type	DIP-General	DIP-Payroll	General	DIP-General
Account No.	7555361687/7555	65551311911/655	129681004443	6555132015
Account Purpose	Operations	Payroll	Operations	Local
Balance, End of Month	\$2,236,421	\$200,810	\$10,654	\$100
Total Funds on Hand for all Accounts	<b>\$2,447,985</b>			

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.  
Includes claims asserted as reclamation claims.

# STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 8/31/2010 (covers Petition Date of 7/26/10 to 8/31/10)

		Actual Current Month	Cumulative (Case to Date)
<b>Cash Receipts</b>			
1	Rent/Leases Collected		
2	Cash Received from Sales	\$8,449,124	\$8,449,124
3	Interest Received		
4	Borrowings		
5	Funds from Shareholders, Partners, or Other Insiders		
6	Capital Contributions		
7			
8			
9			
10			
11			
12	<b>Total Cash Receipts</b>	\$8,449,124	\$8,449,124
<b>Cash Disbursements</b>			
13	Payments for Inventory	3,551,031	3,551,031
14	Selling	961	961
15	Administrative	30,400	30,400
16	Capital Expenditures		
17	Principal Payments on Debt		
18	Interest Paid	72,532	72,532
	Rent/Lease:		
19	Personal Property	7,800	7,800
20	Real Property	41,915	41,915
	Amount Paid to Owner(s)/Officer(s)		
21	Salaries	59,308	59,308
22	Draws		
23	Commissions/Royalties		
24	Expense Reimbursements	1,124	1,124
25	Other		
26	Salaries/Commissions (less employee withholding)	1,186,528	1,186,528
27	Management Fees		
	Taxes:		
28	Employee Withholding		
29	Employer Payroll Taxes		
30	Real Property Taxes	48,078	48,078
31	Other Taxes		
32	Other Cash Outflows:		
33	Utilities	117,556	117,556
34	Repair and Maintenance	201,663	201,663
35	Transportation	536,165	536,165
36	Cold Storage	146,079	146,079
37			
38	<b>Total Cash Disbursements:</b>	\$6,001,140	\$6,001,140
39	<b>Net Increase (Decrease) in Cash</b>	\$2,447,985	\$2,447,985
40	<b>Cash Balance, Beginning of Period</b>	\$0	\$0
41	<b>Cash Balance, End of Period</b>	\$2,447,985	\$2,447,985



**STATEMENT OF CASH FLOWS**  
**(Optional) Increase/(Decrease) in Cash and Cash Equivalents**  
**For the Month Ended 8/31/2010** (covers Petition Date of 7/26/10 to 8/31/10)

	<b>Actual Current Month</b>	<b>Cumulative (Case to Date)</b>
<b>Cash Flows From Operating Activities</b>		
Cash Received from Sales	\$8,449,124	\$8,449,124
Rent/Leases Collected		
Interest Received		
Cash Paid to Suppliers	3,551,031	3,551,031
Cash Paid for Selling Expenses	961	961
Cash Paid for Administrative Expenses	23,309	23,309
Cash Paid for Rents/Leases:		
Personal Property	7,800	7,800
Real Property	41,915	41,915
Cash Paid for Interest	72,532	72,532
Cash Paid for Net Payroll and Benefits	1,186,528	1,186,528
Cash Paid to Owner(s)/Officer(s)		
Salaries	59,308	59,308
Draws		
Commissions/Royalties		
Expense Reimbursements	1,124	1,124
Other		
Cash Paid for Taxes Paid/Deposited to Tax Acct.		
Employer Payroll Tax		
Employee Withholdings		
Real Property Taxes		
Other Taxes	48,078	48,078
Cash Paid for General Expenses		
Utilities	117,556	117,556
Repair and Maintenance	201,663	201,663
Transportation	536,165	536,165
Cold Storage	146,079	146,079
<b>Net Cash Provided (Used) by Operating Activities before Reorganization Items</b>	<b>\$2,455,076</b>	<b>\$2,455,076</b>
<b>Cash Flows From Reorganization Items</b>		
Interest Received on Cash Accumulated Due to Chp 11 Case		
Professional Fees Paid for Services in Connection with Chp 11 Case		
U.S. Trustee Quarterly Fees	\$7,091	\$7,091
<b>Net Cash Provided (Used) by Reorganization Items</b>	<b>(\$7,091)</b>	<b>(\$7,091)</b>
<b>Net Cash Provided (Used) for Operating Activities and Reorganization Items</b>	<b>\$2,447,985</b>	<b>\$2,447,985</b>
<b>Cash Flows From Investing Activities</b>		
Capital Expenditures		
Proceeds from Sales of Capital Goods due to Chp 11 Case		
<b>Net Cash Provided (Used) by Investing Activities</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash Flows From Financing Activities</b>		
Net Borrowings (Except Insiders)		
Net Borrowings from Shareholders, Partners, or Other Insiders		
Capital Contributions		
Principal Payments		
<b>Net Cash Provided (Used) by Financing Activities</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>\$2,447,985</b>	<b>\$2,447,985</b>
<b>Cash and Cash Equivalents at Beginning of Month</b>	<b>\$0</b>	<b>\$0</b>
<b>Cash and Cash Equivalents at End of Month</b>	<b>\$2,447,985</b>	<b>\$2,447,985</b>

**Monthly Operating Report-  
Summary- Payments Made**

8. Payments made on Pre-petition Debt

**Cold Storage Cure Payments**

<u>Check #</u>	<u>Check Date</u>	<u>Vendor</u>	<u>Amount</u>	<u>Date Cleared</u>	<u>Category</u>
007518	8/12/10	3 Rivers	\$ 13.75	8/20/2010	Warehouse Lease Cure
316017	8/12/10	Americold Logistics LLC	\$ 27,202.26	8/16/2010	Warehouse Lease Cure
021523	8/12/10	Hanson Logistics	\$ 1,072.92	8/16/2010	Warehouse Lease Cure
007519	8/12/10	SnoTemp Cold Storage	\$ 2,531.65	8/17/2010	Warehouse Lease Cure
021524	8/12/10	US Cold Storage, Inc.	\$ 60,555.92	8/18/2010	Warehouse Lease Cure

**Payroll Totals - post petition**

<u>Location</u>	<u>Date Paid</u>	<u>Period Ending</u>	<u>Amount</u>	<u>Taxes</u>	<u>Total</u>
DLX	8/6/10	7/31/2010	\$ 116,208.57	\$ 43,144.20	\$ 159,352.77
MGI	8/5/10	7/31/2010	\$ 49,821.88	\$ 22,564.30	\$ 72,386.18
SAC	8/4/10	7/31/2010	\$ 85,059.87	\$ 35,188.88	\$ 120,248.75

9. Payments made to Insiders, Shareholders & Officers

<u>Check #</u>	<u>Check Date</u>	<u>Vendor</u>	<u>Amount</u>	<u>Date Cleared</u>	<u>Category</u>
007513	8/12/10	Jennifer Loving	\$ 534.42	8/16/2010	Travel
Wire	8/2/10	Jennifer Loving	\$ 148.35	8/2/2010	Travel
Wire	8/3/10	Jennifer Loving	\$ 441.25	8/3/2010	Travel
007555	8/27/10	Nathan Bell	\$ 5,619.44	9/13/2010	Travel
007565	8/31/10	JOHN D. WHETTEN	\$ 750.00	9/7/2010	Board Fees & Expenses
007564	8/31/10	JOHN JEX	\$ 1,000.00	9/8/2010	Board Fees & Expenses
007567	8/31/10	Mike Newell	\$ 750.00	9/9/2010	Board Fees & Expenses
ACH	8/5/2010	Jen Loving	\$ 5,576.92	8/5/2010	Regular Payroll
ACH	8/19/2010	Jen Loving	\$ 5,576.92	8/14/2010	Regular Payroll
ACH	9/2/2010	Jen Loving	\$ 5,576.92	8/28/2010	Regular Payroll
ACH	8/5/2010	Nathan Bell	\$ 13,846.16	7/31/2010	Regular Payroll
ACH	8/19/2010	Nathan Bell	\$ 13,846.16	8/14/2010	Regular Payroll
ACH	9/2/2010	Nathan Bell	\$ 13,846.16	8/28/2010	Regular Payroll
ACH	8/5/2010	Vern Christensen	\$ 346.15	7/31/2010	Regular Payroll
ACH	8/19/2010	Vern Christensen	\$ 346.15	8/14/2010	Regular Payroll
ACH	9/2/2010	Vern Christensen	\$ 346.15	8/28/2010	Regular Payroll

## Monthly Operating Report- Summary- Payments Made

8. Payments made on Pre-petition Debt

### Cold Storage Cure Payments

<u>Check #</u>	<u>Check Date</u>	<u>Vendor</u>	<u>Amount</u>	<u>Date Cleared</u>	<u>Category</u>
007518	8/12/10	3 Rivers	\$ 13.75	8/20/2010	Warehouse Lease Cure
316017	8/12/10	Americold Logistics LLC	27,202.26	8/16/2010	Warehouse Lease Cure
021523	8/12/10	Hanson Logistics	1,072.92	8/16/2010	Warehouse Lease Cure
007519	8/12/10	SnotTemp Cold Storage	2,531.65	8/17/2010	Warehouse Lease Cure
021524	8/12/10	US Cold Storage, Inc.	60,555.92	8/18/2010	Warehouse Lease Cure

### Payroll Totals - post petition

<u>Location</u>	<u>Date Paid</u>	<u>Period Ending</u>	<u>Amount</u>	<u>Taxes</u>	<u>Total</u>
DLX	8/6/10	7/31/2010	\$ 116,208.57	\$ 43,144.20	\$ 159,352.77
MGI	8/5/10	7/31/2010	\$ 49,821.88	\$ 22,564.30	\$ 72,386.18
SAC	8/4/10	7/31/2010	\$ 85,059.87	\$ 35,188.88	\$ 120,248.75

9. Payments made to Insiders, Shareholders & Officers

<u>Check #</u>	<u>Check Date</u>	<u>Vendor</u>	<u>Amount</u>	<u>Date Cleared</u>	<u>Category</u>
007513	8/12/10	Jennifer Loving	\$ 534.42	8/16/2010	Travel
Wire	8/2/10	Jennifer Loving	\$ 148.35	8/2/2010	Travel
Wire	8/3/10	Jennifer Loving	\$ 441.25	8/3/2010	Travel
007555	8/27/10	Nathan Bell	\$ 5,619.44	9/13/2010	Travel
007565	8/31/10	JOHN D. WHETTEN	\$ 750.00	9/7/2010	Board Fees & Expenses
007564	8/31/10	JOHN JEX	\$ 1,000.00	9/8/2010	Board Fees & Expenses
007567	8/31/10	Mike Newell	\$ 750.00	9/9/2010	Board Fees & Expenses
ACH	8/5/2010	Jen Loving	\$ 5,576.92	8/5/2010	Regular Payroll
ACH	8/19/2010	Jen Loving	\$ 5,576.92	8/14/2010	Regular Payroll
ACH	9/2/2010	Jen Loving	\$ 5,576.92	8/28/2010	Regular Payroll
ACH	8/5/2010	Nathan Bell	\$ 13,846.16	7/31/2010	Regular Payroll
ACH	8/19/2010	Nathan Bell	\$ 13,846.16	8/14/2010	Regular Payroll
ACH	9/2/2010	Nathan Bell	\$ 13,846.16	8/28/2010	Regular Payroll
ACH	8/5/2010	Vern Christensen	\$ 346.15	7/31/2010	Regular Payroll
ACH	8/19/2010	Vern Christensen	\$ 346.15	8/14/2010	Regular Payroll
ACH	9/2/2010	Vern Christensen	\$ 346.15	8/28/2010	Regular Payroll

Current Month				Explanation:
Actual	Forecast	Variance		
			<b>Revenues:</b>	
\$8,438,271	\$7,702,504	\$735,767	1 Gross Sales	
\$0	\$7,702,504	\$0	2 less: Sales Returns & Allowances	
\$8,438,271		\$735,767	3 Net Sales	
\$5,462,478	\$3,553,270	\$1,909,208	4 less: Cost of Goods Sold	(Schedule 'B')
\$2,975,793	\$4,149,234	(\$1,173,441)	5 Gross Profit	Includes one time inventory writedown of 1.2 mil.. Market cost of raw materials increased
\$0		\$0	6 Interest	
\$0		\$0	7 Other Income:	
		\$0	8	
		\$0	9	
\$2,975,793	\$4,149,234	(\$1,173,441)	10 Total Revenues	
		\$0	<b>Expenses:</b>	
\$60,432	\$6,000	\$54,432	11 Compensation to Owner(s)/Officer(s)	Salaries for Owners and Officers was forecasted in the Salary expense not in Compensation to Owners/Officers
\$1,186,527	\$1,127,940	\$58,587	12 Salaries	
\$0		\$0	13 Commissions	
		\$0	14 Contract Labor	
\$7,800	\$0	\$7,800	15 Rent/Lease:	
\$41,915	\$101,842	(\$59,927)	16 Real Property	Timing
\$0	\$56,918	(\$56,918)	17 Insurance	Timing- forecast based on annual average per month
\$0	\$0	\$0	18 Management Fees	
\$0	\$44,914	(\$44,914)	19 Depreciation	Actual based on cash, not accrual method
\$0	\$0	\$0	20 Taxes:	Forecast was based on annual average per month of property tax expense.
\$48,078	\$12,000	\$36,078	21 Real Property Taxes	
\$0		\$0	22 Other Taxes	
\$961	\$162,877	(\$161,916)	23 Other Selling	Timing- August payouts are related to prepetition and not paid
\$23,309	\$44,579	(\$21,270)	24 Other Administrative	
\$72,532	\$72,531	\$1	25 Interest	
\$117,556	\$157,013	(\$39,457)	26 Other Expenses:	Variance to prior year- Forecast is average per month from prior year
\$201,663	\$59,057	\$142,606	27 Repairs & Maint.	Actual Based on Cash, not accrual, 166k was capitalized at end of month
\$536,165	\$452,874	\$83,291	28 Transportation	Forecasted freight was based on internal sales forecast. Actual Sales came in lower
\$146,079	\$300,337	(\$154,258)	29 Cold Storage	Timing- see list of payments to cold storages
		\$0	30	
		\$0	31	
		\$0	32	
		\$0	33	
		\$0	34	
\$2,443,017	\$2,598,882	(\$155,865)	35 Total Expenses	
\$532,776	\$1,550,352	(\$1,017,576)	36 Subtotal	
\$0	\$50,000	(\$50,000)	37 Reorganization Items:	Counsel retainer not paid in this period. Paid in September
		\$0	38 Provisions for Rejected Executory Contracts	
		\$0	39 Interest Earned on Accumulated Cash from	
		\$0	40 Resulting Chp 11 Case	
		\$0	41 Gain or (Loss) from Sale of Equipment	
\$7,091	\$15,117	(\$8,026)	42 U.S. Trustee Quarterly Fees	
\$7,091	\$65,117	(\$58,026)	43 Filing Fees/Mailing	Actual expenses less than projected
\$539,867	\$1,615,469	(\$1,075,602)	44 Total Reorganization Items	
		\$0	45 Net Profit (Loss) Before Federal & State Taxes	
\$539,867	\$1,615,469	(\$1,075,602)	46 Federal & State Income Taxes	
		\$0		
\$539,867	\$1,615,469	(\$1,075,602)		

Fixed Assets- 8/31/10

Acquisition			Current
Date	Location	Description	Value
8/1/1986	MGI	TELEPHONE SYSTEM	\$ 43,132.00
11/1/1986	MGI	MAS 90 UPGRADE TO 4.4	\$ 24,694.00
12/1/1986	MGI	Server for MAS	\$ 16,256.00
2/1/1987	MGI	Vegas Office Furniture	\$ 15,525.00
5/1/1987	MGI	MAS 90	\$ 11,232.19
5/1/1987	MGI	EDI/ebridge Setup	\$ 6,608.00
5/1/1987	MGI	ADP Report Writer	\$ 5,488.00
5/1/1987	MGI	Servers at MGI	\$ 5,312.50
7/1/1987	MGI	MAS90 Upgrade	\$ 2,752.70
9/1/1987	MGI	Office Furniture	\$ 2,363.57
9/1/1987	MGI	Computer	\$ 2,079.00
1/1/1988	MGI	MARKETING LAPTOP	\$ 1,070.00
1/1/1988	MGI	AP DELL COMPUTER	\$ 951.00
1/1/1988	MGI	Refrigerator	\$ 911.50
7/1/1988	MGI	EDI - SPS/DIS ebridge	\$ 861.00
11/1/1988	MGI	MAS90 Work Order Module	\$ 680.00
1/1/1989	MGI	Office cubicles (from MIC 8/31/07)	\$ 331.00
2/1/1989	MGI	3 LCD Computer Monitors (from MIC 8/31/07)	\$ 291.00
2/1/1989	MGI	Down Payment on Dell Term Server (from MIC 8/31/07)	\$ 206.00
3/1/1989	MGI	Computer (from MIC 8/31/07)	\$ 123.50
1/1/1991	MGI	Rebuild Parts	\$ (600.00)
5/1/1989	MGI	2 Printers (from MIC 8/31/07)	\$ -
8/1/1989	MGI	Network Upgrade (from MIC 8/31/07)	\$ -
2/1/1990	MGI	Upgrade server (from MIC 8/31/07)	\$ -
2/1/1990	MGI	Ebridge Application for Mas90 (from MIC 8/31/07)	\$ -
2/1/1990	MGI	MAS90 5 User License (from MIC 8/31/07)	\$ -
3/1/1990	MGI	Ebridge EDI Software (from MIC 8/31/07)	\$ -
4/1/1990	MGI	Phone System	\$ -
11/1/1990	MGI	Laptop	\$ -
11/1/1990	MGI	Software	\$ -
12/1/1990	MGI	Local Server	\$ -
12/1/1990	MGI	Laptop	\$ -
7/1/1997	Sacto	New Server/Laptop	\$ 1,779.85
5/1/1998	Sacto	COMPUTERS	\$ 1,532.00
11/1/1999	Sacto	COMPUTER- MATTERHORN	\$ 182.73
3/1/1995	Sacto	Battery for Forklift	\$ 5,735.50
3/1/1995	Sacto	PALLET JACKS	\$ 5,463.50
	Sacto	Rebuild- Ammonia System	\$ 338,499.28
2/1/1991	Sacto	Chiller	\$ 253,059.50

	Sacto	Freon System	\$ 180,285.27
5/1/1991	Sacto	PROCESSING TANKS & PIPES	\$ 127,747.87
6/1/1991	Sacto	FLOWPAC CARTONER	\$ 109,256.85
1/1/1992	Sacto	Jr. Molds 1/75 oz & Mold Table for Rollo 27 Bar Machine	\$ 105,327.20
1/1/1992	Sacto	CONE EQUIPMENT INSTALL	\$ 102,614.21
2/1/1992	Sacto	CONE TUNNEL	\$ 97,621.98
2/1/1992	Sacto	FREEZERS	\$ 94,601.24
3/1/1992	Sacto	CASE LOADER	\$ 88,303.50
3/1/1992	Sacto	ANDERSON 8 WIDE WRAPPER	\$ 73,464.88
3/1/1992	Sacto	Ammonia System General Rebuilds	\$ 65,950.00
4/1/1992	Sacto	ESKIMO PIE PROJECT	\$ 61,567.74
4/1/1992	Sacto	PH BALANCING TANK	\$ 56,008.18
4/1/1992	Sacto	PROCESSING TANKS & PIPES	\$ 53,224.53
5/1/1992	Sacto	20 wide gram machine, ice bar molds	\$ 40,808.00
5/1/1992	Sacto	COMPRESSORS	\$ 38,833.43
6/1/1992	Sacto	REFRIGERATION	\$ 33,859.72
8/1/1992	Sacto	Rebuild Amonia System	\$ 32,951.20
9/1/1992	Sacto	CIP SYSTEMS	\$ 32,479.86
10/1/1992	Sacto	Sealer	\$ 30,731.50
10/1/1992	Sacto	Ammonia Compressor Rebuild	\$ 28,773.00
11/1/1992	Sacto	HOYER FREEZER	\$ 27,171.38
12/1/1992	Sacto	Brine chiller Insulation	\$ 25,620.00
12/1/1992	Sacto	3000 IC MIX SILO	\$ 22,307.17
1/1/1993	Sacto	MOLD TABLE ROLLO 27	\$ 21,627.41
1/1/1993	Sacto	Bagger Kwik Lok	\$ 20,889.50
3/1/1993	Sacto	Vitaline Brine System	\$ 20,571.00
3/1/1993	Sacto	Ammonia Compressor	\$ 16,811.50
3/1/1993	Sacto	Compressor Rebuild	\$ 16,525.50
	Sacto	Office AC Unit	\$ 13,595.00
6/1/1993	Sacto	MOLD TABLE - ROLLO 27	\$ 11,950.00
6/1/1993	Sacto	CODE DATER	\$ 11,686.74
8/1/1993	Sacto	Metal Detectors	\$ 11,408.00
11/1/1993	Sacto	Shrink Wrap Tunner	\$ 9,828.28
1/1/1994	Sacto	General Rebuilds - Rebuild Hoyer Rollo 27 Machine	\$ 9,791.00
2/1/1994	Sacto	Freezer Door Replacement	\$ 9,564.00
2/1/1994	Sacto	Wrapper	\$ 9,539.50
3/1/1994	Sacto	METAL DETECTOR	\$ 9,342.55
4/1/1994	Sacto	MP2 Computerized Maintenance System	\$ 8,807.00
4/1/1994	Sacto	Manifold	\$ 8,699.00
4/1/1994	Sacto	TRASH COMPACTOR	\$ 8,613.70
4/1/1994	Sacto	Pallet Cross Beams	\$ 8,163.00
5/1/1994	Sacto	Rebuild of Fuji wrappers	\$ 7,006.50
12/1/1994	Sacto	Label Machine	\$ 6,864.00

1/1/1995	Sacto	DMQ Pasteurizer (from MIC 8/31/07)	\$	6,499.50
3/1/1995	Sacto	CHERRY BURRELL TANK	\$	6,440.04
3/1/1995	Sacto	Metal Detector	\$	6,044.50
4/1/1995	Sacto	Stationary Scales	\$	5,156.00
5/1/1995	Sacto	HOT WATER SYSTEM	\$	4,304.91
5/1/1995	Sacto	Conveyer (from MIC 8/31/07)	\$	4,101.00
5/1/1995	Sacto	COMPRESSOR	\$	3,195.50
5/1/1995	Sacto	BULK TANKS	\$	3,013.04
8/1/1995	Sacto	Vaccum Pump	\$	2,965.50
8/1/1995	Sacto	Lab Sink	\$	2,560.90
9/1/1995	Sacto	STAINLESS STEEL MOLDS	\$	2,542.46
9/1/1995	Sacto	Ammonia Refrig Engineering	\$	2,500.00
10/1/1995	Sacto	DRYER	\$	2,450.70
1/1/1996	Sacto	Box Taper (from MIC 8/31/07)	\$	2,388.50
1/1/1996	Sacto	Pace Comm Phone System	\$	2,388.50
7/1/1996	Sacto	Rollo Sealer Jaw Spares	\$	2,287.50
8/1/1996	Sacto	Beater Bar for 3D92	\$	1,900.00
12/1/1996	Sacto	Harris Davis Auction Items	\$	1,856.00
12/1/1996	Sacto	EMBOSS CODER	\$	1,783.59
8/1/1997	Sacto	Sanitary Static Mixer	\$	1,733.50
9/1/1997	Sacto	BIOCHEMISTRY ANALYZER	\$	1,721.20
2/1/1998	Sacto	Hoyer Keyboard	\$	1,655.50
6/1/1998	Sacto	PALLET RACKING	\$	978.89
10/1/1998	Sacto	Ammonia refig eng drawings	\$	962.50
9/1/1999	Sacto	Ammonia Engineering	\$	892.50
9/1/1999	Sacto	Computer software	\$	771.50
10/1/1999	Sacto	Lab Supplies	\$	484.00
11/1/1999	Sacto	Boiler Pump (from MIC 8/31/07)	\$	119.50
11/1/1999	Sacto	CISCO PIX FIREWALL	\$	58.66
11/1/1999	Sacto	SCALE	\$	46.27
11/1/1999	Sacto	AMMONIA ROTARY COMPRESSOR	\$	-
11/1/1999	Sacto	VOGT FREEZER	\$	-
11/1/1999	Sacto	FREEZER PIPE WORK	\$	-
11/15/1999	Sacto	FREEZER ELECTRICAL WORK	\$	-
1/1/2000	Sacto	BLADES FOR FREEZER	\$	-
2/1/2000	Sacto	BRINE CHILLING SYSTEM	\$	-
2/1/2000	Sacto	GLVER - MODEL H20	\$	-
6/1/2000	Sacto	WRAPPER	\$	-
7/1/2000	Sacto	FORKLIFT- PRIME MOVER	\$	-
7/1/2000	Sacto	BATTERY FOR FORKLIFT	\$	-
7/1/2000	Sacto	BATTERY CHARGER	\$	-
7/1/2000	Sacto	ICE CREAM CONVEYOR	\$	-
7/1/2000	Sacto	BOND-O-MATIC	\$	-

7/1/2000	Sacto	FUJI FOREMOST WRAPPER	\$	-
7/1/2000	Sacto	OIL SEPARATERS	\$	-
7/1/2000	Sacto	MOLD STRIPS	\$	-
7/1/2000	Sacto	AMMONIA COMPRESSOR	\$	-
8/1/2000	Sacto	SPEED CONTROL COMPRESSOR	\$	-
8/1/2000	Sacto	150 GALLON MIX TANK	\$	-
9/1/2000	Sacto	VALVES FOR MIX TANK	\$	-
10/1/2000	Sacto	AMMONIA RECEIVER	\$	-
11/1/2000	Sacto	KRACK REFRIDGERATION COILS	\$	-
12/1/2000	Sacto	FMC MOLDS	\$	-
12/1/2000	Sacto	CONDENSOR AND COILS	\$	-
12/12/2000	Sacto	COMPRESSOR & ATTACHMENTS	\$	-
1/1/2001	Sacto	BAG MACHINE	\$	-
1/25/2001	Sacto	CABINET #2042	\$	-
1/26/2001	Sacto	FULLER COMPRESSOR	\$	-
2/23/2001	Sacto	FREIGHT FULLER COMPRESSOR	\$	-
3/1/2001	Sacto	POS. ROTARY PUMP	\$	-
3/1/2001	Sacto	3.5 TON HEAT PUMP	\$	-
4/1/2001	Sacto	15 TON HEAT PUMP	\$	-
4/1/2001	Sacto	EVAP. CONDENSER	\$	-
4/1/2001	Sacto	HOPPERS CARTON MACHINE	\$	-
4/1/2001	Sacto	TWIN MOLDS	\$	-
4/1/2001	Sacto	STICK INSERTER-GROUP II	\$	-
5/1/2001	Sacto	ELECTRON 7 SCALE	\$	-
6/1/2001	Sacto	ELECTRIC PALLET TRUCK	\$	-
6/1/2001	Sacto	STICK INSERTER	\$	-
7/1/2001	Sacto	2-1/2 OZ. MOLDS	\$	-
8/1/2001	Sacto	1800 AMP C AND D CHARGER	\$	-
8/1/2001	Sacto	3 OZ MOLDS	\$	-
9/1/2001	Sacto	AIR DRYER	\$	-
9/1/2001	Sacto	2 - 1/2 OZ MOLDS	\$	-
10/21/2001	Sacto	ELECTRIC PALLET TRUCK	\$	-
11/1/2001	Sacto	3-1/2 OZ MOLDS	\$	-
11/1/2001	Sacto	2-1/2 OZ FLAT MOLDS	\$	-
1/23/2002	Sacto	GLUING GUNS	\$	-
3/1/2002	Sacto	AIR COMPRESSOR	\$	-
3/1/2002	Sacto	BRINE LINES PROJECT	\$	-
3/1/2002	Sacto	NH3 LIQUID PUMP	\$	-
3/15/2002	Sacto	ICE CREAM SLICE MACHINE	\$	-
4/1/2002	Sacto	UPDATE VITALINE #2	\$	-
5/2/2002	Sacto	STAINLESS STEEL COVER FOR	\$	-
5/2/2002	Sacto	3-1/2 OZ MOLDS	\$	-
5/6/2002	Sacto	ANDERSON WRAPPER REBUILD	\$	-



5/22/2002	Sacto	BRINE CHILLER - SUPPORT	\$	-
6/6/2002	Sacto	OVERHAUL AMMONIA	\$	-
6/24/2002	Sacto	2-1/2 OZFLUTED	\$	-
7/1/2002	Sacto	HEAT EXHANGER FOR #4	\$	-
8/1/2002	Sacto	YORK 8 CYLINDER	\$	-
8/1/2002	Sacto	IBM PS2 MOD 30 PC	\$	-
8/16/2002	Sacto	OIL SEPARATOR	\$	-
8/26/2002	Sacto	EXTRACTOR BAR FOR VITA#1	\$	-
8/31/2002	Sacto	LATERAL THREE DRAWER FILE	\$	-
9/1/2002	Sacto	OIL SEPARATORS	\$	-
9/16/2002	Sacto	VITALINE EXTRACTOR BARS	\$	-
9/30/2002	Sacto	MOTORIZE PALLET JACK	\$	-
11/1/2002	Sacto	2 DRAWER FILE CABINET	\$	-
12/9/2002	Sacto	BENCH SCALE	\$	-
12/12/2002	Sacto	CPS PRINTER	\$	-
1/1/2003	Sacto	CPS PRINTER	\$	-
1/1/2003	Sacto	FREEZER CONVEYORS-NVLTY	\$	-
1/3/2003	Sacto	YALE ELECT. PALLET JACK	\$	-
1/3/2003	Sacto	HYDRAULIC DUMPSTER	\$	-
1/7/2003	Sacto	GUN/TANK PROJECT	\$	-
1/28/2003	Sacto	486 COMPUTER	\$	-
1/28/2003	Sacto	KWIK LOK	\$	-
2/17/2003	Sacto	FOOT BATH	\$	-
3/1/2003	Sacto	GRACO S/S PUMP	\$	-
4/1/2003	Sacto	INK JET PRINTER	\$	-
4/1/2003	Sacto	UPDATES ON THE VITALINES	\$	-
4/6/2003	Sacto	YALE ELECT PALLET TRUCK	\$	-
5/1/2003	Sacto	TUB & POPSICLE CARTS	\$	-
6/30/2003	Sacto	VITALINE 1&2 MODIFICATION	\$	-
7/1/2003	Sacto	HOPPER	\$	-
7/1/2003	Sacto	ROCKER POP MOLDS	\$	-
8/1/2003	Sacto	COOLING TOWER	\$	-
10/30/2003	Sacto	ROLLER CONVEYOR	\$	-
10/31/2003	Sacto	1500 GALLON PLASTIC TANK	\$	-
1/1/2004	Sacto	HARDENING ROOM- RERACK	\$	-
2/1/2004	Sacto	METAL DETECTOR	\$	-
2/1/2004	Sacto	HYSTER - N40 FR	\$	-
4/1/2004	Sacto	WAUKESHA PURITI CENT PUMP	\$	-
4/1/2004	Sacto	PLASMA CUTTER	\$	-
5/1/2004	Sacto	BLACKMER PUMP BODY	\$	-
5/9/2004	Sacto	KIWANI BOILER	\$	-
6/1/2004	Sacto	24 LB SCALE	\$	-
6/1/2004	Sacto	PRESTO LIFT FORKLIFT	\$	-

6/1/2004	Sacto	POLYCAL 4000 GL PLAS TANK	\$	-
6/30/2004	Sacto	SEWER SAMPLER	\$	-
10/1/2004	Sacto	COP TANK	\$	-
10/1/2004	Sacto	JORDAN STEAM REGULATOR	\$	-
1/1/2005	Sacto	3M TAPE MACHINE	\$	-
1/1/2005	Sacto	HP FAX MACHINE	\$	-
1/1/2005	Sacto	HOYER ROLLO - 27	\$	-
1/1/2005	Sacto	HOYER 3 BARREL FREEZER	\$	-
1/1/2005	Sacto	24# SCALE	\$	-
1/1/2005	Sacto	MICROJET INK PRINTER	\$	-
1/1/2005	Sacto	PAYROLL/HUMAN RESOURCE PC	\$	-
1/1/2005	Sacto	CONTURN LAP TOP COMPUTER	\$	-
1/1/2005	Sacto	MODEM 19.2	\$	-
1/1/2005	Sacto	IBM WORKSTATION	\$	-
1/1/2005	Sacto	COPIER-XEROX	\$	-
1/1/2005	Sacto	HOYER FOLO-ADD. COSTS	\$	-
1/1/2005	Sacto	ULTRA TAPER W/CODER	\$	-
1/1/2005	Sacto	YALE MTRZD PALLET JACK	\$	-
1/1/2005	Sacto	18" FLOOR POLISHER	\$	-
1/1/2005	Sacto	"SLOW DOWN" KIT	\$	-
1/1/2005	Sacto	PACKARD BELL / PC	\$	-
1/1/2005	Sacto	BAG CHUTE	\$	-
1/1/2005	Sacto	VOICE MAIL SYSTEM	\$	-
1/1/2005	Sacto	BIOTRADE MACHINE	\$	-
1/1/2005	Sacto	ATLASCOPCO AIR COMPRESSOR	\$	-
1/1/2005	Sacto	COMPUTER	\$	-
1/1/2005	Sacto	Wulftec Pallet Wrapper (From MIC on 8/31/07)	\$	-
1/28/2005	Sacto	Metal Detector (From MIC on 8/31/07)	\$	-
2/28/2005	Sacto	#44 2000 FORD TAURUS	\$	-
3/1/2005	Sacto	Boiler Pump (from MIC 8/31/07)	\$	-
3/1/2005	Sacto	Bench Scale (from MIC 8/31/07)	\$	-
8/1/2009	Salem	000074 - Dell Inspiron 8600 Laptop Computer	\$	84.50
2/1/2009	Salem	000080-81-82 Office Workcenters (3)	\$	572.00
10/1/2008	Salem	Planning Lap Top	\$	1,073.00
10/1/2008	Salem	00056 - Logix Controller	\$	1,066.50
10/31/2008	Salem	Admin Computer	\$	986.00
12/31/2008	Salem	Lap Top ( Plant Manager )	\$	828.00
7/30/2008	Salem	Server Bridge - Wells Fargo	\$	1,292.66
5/1/2008	Salem	2 Dell Computers for Receiving	\$	1,578.08
4/1/2008	Salem	Admin Computer	\$	2,214.00
8/7/2006	Salem	Dell Server	\$	5,533.50
4/1/2005	Salem	Truck Engine Rebuild	\$	32,761.50
11/30/2005	Salem	000093-1999 International Tractor #28	\$	11,739.50

1/2/2006 Salem	000090 1998 Utility Reefer Trailer	\$ 9,073.50
1/15/2006 Salem	[LKA000002] 000078-1999 International Tractor #27	\$ 7,121.56
3/16/2006 Salem	[LKA000001] 1983 F2275 INT'L TRACTOR #22	\$ 6,846.88
4/1/2007 Salem	Utility Trailer	\$ 3,786.50
3/1/2005 Salem	Vitaline Junior Conversion	\$ 145,630.50
3/1/2005 Salem	Metal Detectors	\$ 82,941.35
3/1/2005 Salem	LPR Low Pressure RCV	\$ 64,059.78
3/1/2005 Salem	General Rebuild (V3 WRAPPER AND STICK MACHINE 1, 2, 3)	\$ 47,132.09
4/1/2005 Salem	00057 - Ammonia Compressor	\$ 42,394.50
4/30/2005 Salem	Tetra KF 1200SC Freezer Rebuild (from MIC 8/31/07)	\$ 32,424.00
5/1/2005 Salem	Cartoner (from MIC 8/31/07)	\$ 32,116.00
5/1/2005 Salem	Boiler	\$ 30,301.00
6/1/2005 Salem	Conversion 56 oz. filler	\$ 29,273.50
6/1/2005 Salem	Barrell Freezers	\$ 29,104.50
8/1/2005 Salem	6000 hr Rebuild on Barrel Freezers	\$ 25,085.50
8/1/2005 Salem	Doboy 500 Bag Sealer	\$ 24,255.00
8/1/2005 Salem	000011-New Production Room	\$ 21,259.27
8/1/2005 Salem	2 Box Tapers	\$ 15,280.00
8/31/2005 Salem	Stick Machine Rebuild	\$ 13,050.00
9/1/2005 Salem	Tractor Engine Replacement	\$ 12,537.00
9/11/2005 Salem	000075 - Sugar Tank	\$ 11,799.00
11/30/2005 Salem	Packaged Shrink Wrap Machine Rebuild	\$ 11,725.00
12/31/2005 Salem	Mix Silo (from MIC 8/31/07)	\$ 11,574.00
12/31/2005 Salem	Barrell Freezer Rebuild	\$ 11,118.00
12/31/2005 Salem	Vilter 12 Compressor (From MIC 8/31/07)	\$ 9,331.00
12/31/2005 Salem	6 Wide Vitaline Evacuator	\$ 9,286.00
1/2/2006 Salem	000096 Yoohoo Bag Sealer	\$ 9,060.50
1/6/2006 Salem	Chart Recorders for the Mix Pasterization	\$ 7,991.00
2/21/2006 Salem	Wrapper (from MIC 8/31/07)	\$ 6,917.00
5/15/2006 Salem	000072 - Metal Detector	\$ 6,819.00
5/31/2006 Salem	000098 Metal Detector	\$ 6,661.50
6/30/2006 Salem	00009S Rebuild 200Hp Ammonia Compressor Eng Rm	\$ 6,138.50
7/24/2006 Salem	Compressor rebuild (from MIC 8/31/07)	\$ 5,546.50
8/10/2006 Salem	Carton Foldinel Change Kit	\$ 5,367.60
8/31/2006 Salem	000079 Rebuild Ammonia Compressor	\$ 5,341.50
9/1/2006 Salem	000070 - Inline Blender	\$ 5,182.50
9/1/2006 Salem	Pump	\$ 5,121.00
9/1/2006 Salem	Freezer Burrell (From MIC 8/31/07)	\$ 4,985.50
9/11/2006 Salem	000071 - Rebuild Half Gallon Filler	\$ 4,790.50
9/29/2006 Salem	Multi-lane wrapper	\$ 4,486.00
10/27/2006 Salem	000088 Replace Drives for Vitaline #1	\$ 4,345.50
10/31/2006 Salem	00041 - Hoypack 50 Cartonizer - Vitaline	\$ 4,149.00
12/29/2006 Salem	000099 Ink Jet Coder for 5 Qt Pails	\$ 4,037.00

3/31/2007	Salem	KM 340 Freezer Barrels Upgrade Kit	\$	3,826.57
4/1/2007	Salem	Boardroom Cabinets	\$	3,369.50
4/30/2007	Salem	000068 - Repair Cream Tank	\$	3,296.00
6/30/2007	Salem	DMQ 1000 Fallon Mix Tank (from MIC 8/31/07)	\$	3,269.00
9/1/2007	Salem	LPR Low Pressure RCV	\$	3,090.50
11/30/2007	Salem	000073 - Upgrade Stick Machine	\$	2,880.50
1/7/2008	Salem	00065 - Fire Suppress System	\$	2,767.00
1/7/2008	Salem	00042 - KF1200XC Barrel Freezer	\$	2,618.50
2/1/2008	Salem	00043 - KF1200XC Barrel Freezer	\$	2,618.50
3/1/2008	Salem	000089 Replace Main Drive Wheel on Line 3	\$	2,616.50
3/1/2008	Salem	00066 - Back Freezers	\$	2,369.00
4/1/2008	Salem	00044 - HTST Installation	\$	1,868.00
4/1/2008	Salem	000097 Air Controller #1 Freezer Barrel	\$	1,741.50
4/1/2008	Salem	00040 - 6000 Gal Cream Tank	\$	1,701.00
4/29/2008	Salem	000076 - Bio-Hazard Locking System	\$	1,682.50
7/30/2008	Salem	Safeline metal detector (from MIC 8/31/07)	\$	1,316.00
9/1/2008	Salem	00058 - Chassis	\$	1,231.50
9/30/2008	Salem	DMQ Videojet Control Panel (from MIC 8/31/07)	\$	1,078.50
12/31/2008	Salem	Air compressor (from MIC 8/31/07)	\$	606.50
3/1/2009	Salem	CIP panel display (from MIC 8/31/07)	\$	557.50
3/1/2009	Salem	00054 - Back Freezers	\$	368.00
3/1/2009	Salem	00055 - 40HP Freak Drive North Cooling Tower	\$	319.00
3/1/2009	Salem	00052- Neptune Water Meter	\$	229.50
4/1/2009	Salem	000083-84-85 Lateral Files (3)	\$	228.00
4/1/2009	Salem	00045 - T-28 Plates Heat Exchanger	\$	165.50
5/1/2009	Salem	00053 - Ammonia Sniffer	\$	143.50
7/1/2009	Salem	00050 - Plate Hardner Repairs	\$	131.00
7/1/2009	Salem	Conveyor for Doboy Wrapper (from MIC 8/31/07)	\$	120.00
8/1/2009	Salem	000086-87 Storage Cabinets (2)	\$	99.50
8/1/2009	Salem	HTST heat controls (from MIC 8/31/07)	\$	67.00
9/1/2009	Salem	00051 - DWE UV-1 Bagging Machine	\$	58.00
9/1/2009	Salem	Doboy wrapper drive (from MIC 8/31/07)	\$	53.50
10/1/2009	Salem	CIP drive replacement (from MIC 8/31/07)	\$	47.00
10/1/2009	Salem	00039 - 6-Wide Main Drive Socket	\$	30.50
10/1/2009	Salem	Doby Wrapper Temp control (from MIC 8/31/07)	\$	15.00
10/1/2009	Salem	Hot water pump for HTST (from MIC 8/31/07)	\$	12.50
10/1/2009	Salem	CIP PLC System (From MIC on 8/31/07)	\$	-
10/1/2009	Salem	Valves for CIP System (From MIC on 8/31/07)	\$	-
11/1/2009	Salem	12 Cylinder Compressor Rebuild (From MIC 8/31/07)	\$	-
11/1/2009	Salem	HTST & CIP Systems (From MIC on 8/31/07)	\$	-
11/1/2009	Salem	Hoyer Freezer (From MIC on 8/31/07)	\$	-
11/1/2009	Salem	Continuous Freezer (From MIC on 8/31/07)	\$	-
12/1/2009	Salem	Rebuild Hoyer (from MIC on 8/31/07)	\$	-

12/1/2009	Salem	000002-Machinery & Equipment	\$	-
12/1/2009	Salem	[LKT000001] TRADED 02/01/04 NBV-B 8825.88	\$	-
200859	Salem	[LKT000002] TRADED 01/28/05 NBV-B 3618.06	\$	-
200909	Salem	000033-1992 Dodge Van	\$	-
200955	Salem	000035-1994 Utility Trailer #23A	\$	-
201001	Salem	000038-1998 International Tractor #25	\$	-
201002	Salem	000001-Office Furniture & Equipment	\$	-
201002	Salem	Hoyer Pump (from MIC 8/31/2007)	\$	-
201003	Salem	000007-Security Alarm System	\$	-
201003	Salem	Doboy Wrapper (from MIC 8/31/07)	\$	-
201004	Salem	000013-EDI Program for AS400	\$	-
201004	Salem	000014-Ink Jet System	\$	-
201005	Salem	000016-Gauges	\$	-
201006	Salem	000015-New Evaporator	\$	-
201007	Salem	000019-Tuck Tite Machine	\$	-
201009	Salem	000012-Computer Network	\$	-
201010	Salem	000018-Bag Sealer	\$	-
201011	Salem	Box Taper (from MIC 8/31/07)	\$	-
201012	Salem	000017-Cream Storage Tank	\$	-
201017	Salem	000020-HTST Pasteurizer	\$	-
201019	Salem	000023-Gauges	\$	-
201020	Salem	000024-Copeland Compressor	\$	-
201023	Salem	000026-Dell Computer	\$	-
201024	Salem	000027-Swab Tester	\$	-
201025	Salem	000025-A/R Program for AS400	\$	-
201026	Salem	00048 - Office Furniture	\$	-
201027	Salem	00049 - Plant Computer/Printer	\$	-
201028	Salem	00061 - MAS 90 Software	\$	-
201029	Salem	00062 - Software	\$	-
201030	Salem	00063 - Dell Computer	\$	-
201031	Salem	00064 - Plant Network	\$	-
201088	Salem	000091-92 Dell OptiPlex GX620 Desktop (2)	\$	-
201003B	Salem	Dell Laptop	\$	-
20100630		Reconciling Items	\$	(472,947)